

105TH CONGRESS  
1ST SESSION

# S. 1561

To reform the conduct of Federal elections.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 13, 1997

Mr. WARNER introduced the following bill; which was read twice and referred  
to the Committee on Rules and Administration

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## A BILL

To reform the conduct of Federal elections.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Constitutional and Effective Reform of Campaigns Act  
6 of 1997”.

7 (b) TABLE OF CONTENTS.—The table of contents of  
8 this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Effective date.

### TITLE I—ENHANCEMENT OF CITIZEN INVOLVEMENT

Sec. 101. Prohibition of contributions and donations by foreign nationals and  
other individuals not eligible to register to vote; additional re-  
strictions on foreign nationals.

- Sec. 102. Update of individual contribution limit and indexing of limits.
- Sec. 103. Encouraging small contributions to local congressional candidates.

#### TITLE II—LEVELING THE PLAYING FIELD FOR CANDIDATES

- Sec. 201. Seed money to encourage new candidates and competitive campaigns.
- Sec. 202. Modification of contribution limits in response to expenditures from personal funds.
- Sec. 203. Limit on senate use of the franking privilege.

#### TITLE III—VOLUNTARINESS OF POLITICAL CONTRIBUTIONS

- Sec. 301. Consent for use of dues and fees of labor organizations.
- Sec. 302. Corporate shareholder notification.

#### TITLE IV—ELIMINATION OF ELECTION CAMPAIGN EXCESSES

- Sec. 401. Prohibition of fundraising on Federal property and other criminal prohibitions.
- Sec. 402. Deposit of certain contributions and donations in treasury account.
- Sec. 403. National political party committees; “soft” and “hard” money.
- Sec. 404. Prohibition of conversion of campaign funds to personal use.

#### TITLE V—ENHANCED DISCLOSURE

- Sec. 501. Reporting requirements for candidates.
- Sec. 502. Access to information on the Internet.
- Sec. 503. Reporting requirements for independent expenditures within 20 days before an election.
- Sec. 504. Required lobbyist disclosure of contributions and donations.

#### TITLE VI—FEDERAL ELECTION COMMISSION REFORM

- Sec. 601. Filing of reports using computers and facsimile machines.
- Sec. 602. Term limits for Federal Election Commission.
- Sec. 603. Increase in penalty for knowing and willful violations.
- Sec. 604. Civil penalties for minor reporting violations.
- Sec. 605. Oral arguments; index of actions.
- Sec. 606. Change in certain reporting from a calendar year basis to an election cycle basis.
- Sec. 607. Confirmation of general counsel and executive director.

#### TITLE VII—IMPROVEMENTS TO THE NATIONAL VOTER REGISTRATION ACT

- Sec. 701. Repeal of requirement for States to provide for voter registration by mail.
- Sec. 702. Requiring applicants registering to vote to provide certain additional information.
- Sec. 703. Removal of certain registrants from official list of eligible voters.
- Sec. 704. Permitting State to require voters to produce additional information prior to voting.
- Sec. 705. Repeal of requirement that States permit registrants changing residence to vote at polling place for former address.

1 **SEC. 2. EFFECTIVE DATE.**

2 Except as otherwise provided in this Act, the amend-  
 3 ments made by, and the provisions of, this Act shall take  
 4 effect on January 1, 1999.

5 **TITLE I—ENHANCEMENT OF**  
 6 **CITIZEN INVOLVEMENT**

7 **SEC. 101. PROHIBITION OF CONTRIBUTIONS AND DONA-**  
 8 **TIONS BY FOREIGN NATIONALS AND OTHER**  
 9 **INDIVIDUALS NOT ELIGIBLE TO REGISTER TO**  
 10 **VOTE; ADDITIONAL RESTRICTIONS ON FOR-**  
 11 **EIGN NATIONALS.**

12 (a) PROHIBITION OF CONTRIBUTIONS AND DONA-  
 13 TIONS BY FOREIGN NATIONALS AND OTHER INDIVIDUALS  
 14 NOT ELIGIBLE TO REGISTER TO VOTE; ADDITIONAL RE-  
 15 STRICTIONS ON FOREIGN NATIONALS.—

16 (1) IN GENERAL.—Section 319(a) of the Fed-  
 17 eral Election Campaign Act of 1971 (2 U.S.C.  
 18 441e(a)) is amended to read as follows:

19 “(a) PROHIBITIONS.—

20 “(1) INDIVIDUALS NOT ELIGIBLE TO REGISTER  
 21 TO VOTE.—

22 “(A) IN GENERAL.—Subject to subpara-  
 23 graph (B), it shall be unlawful for—

24 “(i) an individual who is not eligible  
 25 to register to vote in a Federal election (in-  
 26 cluding foreign nationals) to make a con-

1           tribution or donation or to promise ex-  
 2           pressly or impliedly to make a contribution  
 3           or donation; or

4           “(ii) any person to solicit, accept, or  
 5           receive a contribution or donation from an  
 6           individual who is not eligible to register to  
 7           vote in a Federal election (including for-  
 8           eign nationals).

9           “(B) APPLICATION.—Subparagraph (A)  
 10          shall not apply in the case of an individual who  
 11          is not eligible to register to vote solely by rea-  
 12          son of a residency requirement under State  
 13          law.”.

14          “(2) FOREIGN NATIONALS.—

15          “(A) PROHIBITION ON CONTRIBUTIONS  
 16          AND DONATIONS.—

17               “(i) IN GENERAL.—Subject to clause  
 18               (ii), it shall be unlawful for—

19                       “(I) a foreign national, or an en-  
 20                       tity that is a domestic subsidiary of a  
 21                       foreign national, to make, directly or  
 22                       through any other person, any con-  
 23                       tribution of money or other thing of  
 24                       value, or promise expressly or  
 25                       impliedly to make any such contribu-

tion, in connection with an election to  
 any political office or in connection  
 with any primary election, convention,  
 or caucus held to select a candidate  
 for any political office or make any  
 donation, or promise expressly or  
 impliedly to make any such donation;  
 or

“(II) any person to solicit, ac-  
 cept, or receive any such contribution  
 or donation from a foreign national.

“(ii) EXCEPTION.—Clause (i) shall  
 not apply to an entity that is a domestic  
 subsidiary of a foreign national if the en-  
 tity can demonstrate through a reasonable  
 accounting method that the entity has suf-  
 ficient funds in the entity’s account, other  
 than funds given or loaned by the foreign  
 national parent of the entity, from which  
 the contribution or donation is made.

“(B) INDEPENDENT EXPENDITURE.—It  
 shall be unlawful for a foreign national to make  
 an independent expenditure.

“(C) PROHIBITED PARTICIPATION.—A for-  
 eign national shall not direct, dictate, control,

or directly or indirectly participate in the decision-making process of any person with regard to such person's election-related activities, including decisions concerning the making of contributions, donations, or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.”.

(2) CONFORMING AMENDMENT.—Section 319 of Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking the heading and inserting “RESTRICTIONS ON FOREIGN NATIONALS AND OTHER INDIVIDUALS NOT ELIGIBLE TO REGISTER TO VOTE”.

(b) DEFINITION OF DONATION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

“(20) DONATION.—The term ‘donation’ means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).”.

1 **SEC. 102. UPDATE OF INDIVIDUAL CONTRIBUTION LIMIT**  
 2 **AND INDEXING OF LIMITS.**

3 (a) UPDATE OF INDIVIDUAL CONTRIBUTION  
 4 LIMIT.—Section 315(a)(1)(A) of the Federal Election  
 5 Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is  
 6 amended by striking “\$1,000” and inserting “\$2,000”.

7 (b) INDEXING.—Section 315(c) of the Federal Elec-  
 8 tion Campaign Act of 1971 (2 U.S.C. 441a(c)) is amend-  
 9 ed—

10 (1) in paragraph (1)—

11 (A) by striking the second and third sen-  
 12 tences;

13 (B) by inserting before “At the beginning”  
 14 the following: “(A)”; and

15 (C) by adding at the end the following:

16 “(B) Each limitation established by subsection (a),  
 17 (b), (d), or (i) shall be increased by the percent difference  
 18 determined under subparagraph (A), and the increased  
 19 amount, if not a multiple of \$100, shall be rounded to  
 20 the next higher multiple of \$100.

21 “(C) Each amount increased under subparagraph (B)  
 22 shall remain in effect for the calendar year in which the  
 23 amount is increased.

24 “(D) The Commission shall publish each year in the  
 25 Federal Register any change made to a limit under this  
 26 subsection.”; and

1           (2) in paragraph (2)(B), by striking “means the  
 2           calendar year 1974.” and inserting “means—  
 3           “(i) for purposes of subsections (b) and  
 4           (d), calendar year 1974; and  
 5           “(ii) for purposes of subsections (a) and  
 6           (i), calendar year 1997.”.

7 **SEC. 103. ENCOURAGING SMALL CONTRIBUTIONS TO**  
 8 **LOCAL CONGRESSIONAL CANDIDATES.**

9           (a) GENERAL RULE.—Subpart A of part IV of sub-  
 10 chapter A of chapter 1 of the Internal Revenue Code of  
 11 1986 (relating to nonrefundable personal credits) is  
 12 amended by inserting after section 25A the following:

13 **“SEC. 25B. IN-STATE CONTRIBUTIONS TO CONGRESSIONAL**  
 14 **CANDIDATES.**

15           “(a) GENERAL RULE.—In the case of an individual,  
 16 there shall be allowed as a credit against the tax imposed  
 17 by this chapter for the taxable year an amount equal to  
 18 the total amount of contributions made by the individual  
 19 to any local congressional candidate.

20           “(b) LIMITATIONS.—

21           “(1) MAXIMUM CREDIT.—The credit allowed by  
 22 subsection (a) for a taxable year shall not exceed  
 23 \$100 (\$200 in the case of a joint return under sec-  
 24 tion 6013).



1           “(2) ADJUSTED GROSS INCOME.—No credit  
 2           shall be allowed under subsection (a) for a taxable  
 3           year if the taxpayer’s modified adjusted gross in-  
 4           come (as defined in section 25A(d)(3)) exceeds  
 5           \$60,000 (\$120,000 in the case of a joint return).

6           “(3) VERIFICATION.—The credit allowed by  
 7           subsection (a) shall be allowed with respect to any  
 8           contribution only if the contribution is verified in  
 9           such manner as the Secretary shall prescribe by reg-  
 10          ulation.

11          “(c) DEFINITION.—In this section—

12           “(1) CANDIDATE.—The term ‘candidate’ has  
 13           the meaning given the term in section 301 of the  
 14           Federal Election Campaign Act of 1971 (2 U.S.C.  
 15           431).

16           “(2) CONTRIBUTION.—The term ‘contribution’  
 17           has the meaning given the term in section 301 of the  
 18           Federal Election Campaign Act of 1971 (2 U.S.C.  
 19           431).

20           “(3) LOCAL CONGRESSIONAL CANDIDATE.—The  
 21           term ‘local congressional candidate’ means a can-  
 22           didate in a primary, general, runoff, or special elec-  
 23           tion seeking nomination for election to, or election to  
 24           the Senate or the House of Representatives for the

1 State in which the principal residence of the tax-  
 2 payer is located.

3 “(4) PRINCIPAL RESIDENCE.—The term ‘prin-  
 4 cipal residence’ has the same meaning as when used  
 5 in section 121.”.

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 642 of such Code (relating to spe-  
 8 cial rules for credits and deductions of estates or  
 9 trusts) is amended by adding at the end the follow-  
 10 ing:

11 “(j) CREDIT FOR CERTAIN CONTRIBUTIONS NOT AL-  
 12 LOWED.—An estate or trust shall not be allowed the credit  
 13 against tax provided by section 25B.”.

14 (2) The table of sections for subpart A of part  
 15 IV of subchapter A of chapter 1 of such Code is  
 16 amended by inserting after the item relating to sec-  
 17 tion 25A the following new item:

“Sec. 25B. In-State contributions to congressional candidates.”.

18 (c) EFFECTIVE DATE.—The amendments made by  
 19 this section shall apply to taxable years beginning after  
 20 December 31, 1997.

1 **TITLE II—LEVELING THE PLAY-**  
 2 **ING FIELD FOR CANDIDATES**

3 **SEC. 201. SEED MONEY TO ENCOURAGE NEW CANDIDATES**  
 4 **AND COMPETITIVE CAMPAIGNS.**

5 (a) IN GENERAL.—Section 315 of the Federal Elec-  
 6 tion Campaign Act of 1971 (2 U.S.C. 441a) is amended—

7 (1) in subsection (a)(1), by striking “No per-  
 8 son” and inserting “Except as provided in sub-  
 9 section (i), no person”;

10 (2) in subsection (a)(2), by striking “No multi-  
 11 candidate” and inserting “Except as provided in  
 12 subsection (i), no multicandidate”; and

13 (3) by adding at the end the following:

14 “(i) MODIFICATION OF LIMITS.—

15 “(1) SEED MONEY.—

16 “(A) IN GENERAL.—In the case of a nomi-  
 17 nation for election to, or election to, the Senate  
 18 or House of Representatives, the limits under  
 19 paragraphs (1)(A) and (2)(A) of subsection (a)  
 20 for any calendar year shall be 4 times the limit  
 21 determined without regard to this section until  
 22 such time as the aggregate contributions exceed  
 23 the applicable limit for a candidate.

1 “(B) CANDIDATE’S APPLICABLE LIMIT.—

2 The applicable limit under subparagraph (A)  
3 shall be—

4 “(i)(I) in the case of a candidate for  
5 the Senate, \$300,000; or

6 “(II) in the case of a candidate for  
7 the House of Representatives, \$100,000;  
8 reduced (but not below zero) by

9 “(ii) the aggregate amount deter-  
10 mined under subsection (j)(1) that the can-  
11 didate and the candidate’s authorized com-  
12 mittees have available to transfer from a  
13 previous election cycle to the current elec-  
14 tion cycle.

15 “(C) TIME TO ACCEPT CONTRIBUTIONS  
16 UNDER MODIFIED LIMIT.—A candidate and the  
17 candidate’s authorized committees shall not ac-  
18 cept a contribution under this subsection until  
19 the candidate has received notification of the  
20 aggregate amount under subsection (j)(2).”.

21 (b) DETERMINATION OF CONTRIBUTIONS TRANS-  
22 FERRED FROM PREVIOUS ELECTION CYCLE.—Section  
23 315 of the Federal Election Campaign Act of 1971 (2  
24 U.S.C. 441a) (as amended by subsection (a)) is amended  
25 by adding at the end the following:

1       “(j) DETERMINATION OF CONTRIBUTIONS TRANS-  
2       FERRED FROM PREVIOUS ELECTION CYCLES.—

3               “(1) DETERMINATION.—For purposes of sub-  
4       section (i)—

5               “(A) in the case of an individual elected to  
6       the House of Representatives or the Senate,  
7       after the receipt of the individual’s post-general  
8       election report under section 304(a)(2)(A)(ii)  
9       for the election cycle in which the individual  
10      was elected, the Commission shall determine the  
11      aggregate amount of contributions that is avail-  
12      able to be transferred from 1 or more previous  
13      election cycles to the current election cycle of  
14      the candidate (regardless of whether the  
15      amount has been so transferred); and

16              “(B) in the case of any other individual,  
17      the amount shall be zero.

18              “(2) NOTIFICATION.—The Commission shall  
19      notify the candidate of the amount that is deter-  
20      mined under paragraph (1).

21              “(3) ADJUSTMENT.—On receipt of notification  
22      under paragraph (2), the limits in paragraphs  
23      (1)(B) and (2)(B) of subsection (i) shall be adjusted  
24      accordingly.”.

1 **SEC. 202. MODIFICATION OF CONTRIBUTION LIMITS IN RE-**  
 2 **SPONSE TO EXPENDITURES FROM PERSONAL**  
 3 **FUNDS.**

4 (a) MODIFICATION OF CONTRIBUTION LIMITS IN RE-  
 5 SPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—  
 6 Section 315(i) of the Federal Election Campaign Act of  
 7 1971 (2 U.S.C. 441a) (as added by section 201) is amend-  
 8 ed by adding at the end the following:

9 “(2) INCREASE IN LIMIT TO ALLOW RESPONSE  
 10 TO EXPENDITURES FROM PERSONAL FUNDS.—

11 “(A) IN GENERAL.—The applicable limit  
 12 under paragraph (1) for a particular election  
 13 shall be increased by the personal funds  
 14 amount.

15 “(B) PERSONAL FUNDS AMOUNT.—The  
 16 personal funds amount is an amount equal to  
 17 the excess (if any) of—

18 “(i) the greatest aggregate amount of  
 19 expenditures from personal funds (as de-  
 20 fined in section 304(a)(6)(B)) in excess of  
 21 \$25,000 that an opposing candidate in the  
 22 same election makes; over

23 “(ii) the aggregate amount of expendi-  
 24 tures from personal funds made by the  
 25 candidate in the election.”.

1 (b) NOTIFICATION OF EXPENDITURES FROM PER-  
 2 SONAL FUNDS.—Section 304(a)(6) of the Federal Elec-  
 3 tion Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is  
 4 amended—

5 (1) by redesignating subparagraph (B) as sub-  
 6 paragraph (D); and

7 (2) by inserting after subparagraph (A) the fol-  
 8 lowing:

9 “(B) NOTIFICATION OF EXPENDITURE FROM PER-  
 10 SONAL FUNDS.—

11 “(i) DEFINITION OF EXPENDITURE FROM PER-  
 12 SONAL FUNDS.—In this subparagraph, the term ‘ex-  
 13 penditure from personal funds’ means—

14 “(I) an expenditure made by a candidate  
 15 using personal funds; and

16 “(II) a contribution made by a candidate  
 17 using personal funds to the candidate’s author-  
 18 ized committee.

19 “(ii) INITIAL NOTIFICATION.—Not later than  
 20 24 hours after a candidate seeking nomination for  
 21 election to, or election to, the Senate makes or obli-  
 22 gates to make an aggregate amount of expenditure  
 23 from personal funds in excess of \$25,000 in connec-  
 24 tion with any election, the candidate shall file a noti-

1       fication stating the amount of the expenditure  
2       with—

3               “(I) the Commission; and

4               “(II) each candidate in the same election.

5               “(iii) ADDITIONAL NOTIFICATION.—After a  
6       candidate files an initial notification under clause  
7       (ii), the candidate shall file an additional notification  
8       each time expenditures from personal funds are  
9       made or obligated to be made in an aggregate  
10      amount of \$5,000 with—

11              “(I) the Commission; and

12              “(II) each candidate in the same election.

13              “(iv) CONTENTS.—A notification under clause  
14      (ii) or (iii) shall include—

15              “(I) the name of the candidate and the of-  
16      fice sought by the candidate;

17              “(II) the date and amount of each expendi-  
18      ture; and

19              “(III) the total amount of expenditures  
20      from personal funds that the candidate has  
21      made, or obligated to make, with respect to an  
22      election as of the date of the expenditure that  
23      is the subject of the notification.”.

24      (c) DEFINITIONS.—Section 301 of the Federal Elec-  
25      tion Campaign Act of 1971 (2 U.S.C. 431) (as amended



1 by section 101(c)) is amended by adding at the end the  
 2 following:

3       “(21) ELECTION CYCLE.—The term ‘election cycle’  
 4 means the period beginning on the day after the date of  
 5 the most recent general election for the specific office or  
 6 seat that a candidate is seeking and ending on the date  
 7 of the next general election for that office or seat.

8       “(22) PERSONAL FUNDS.—The term ‘personal  
 9 funds’ means an amount that is derived from—

10           “(A) any asset that, under applicable State law,  
 11       at the time the individual became a candidate, the  
 12       candidate had legal right of access to or control  
 13       over, and with respect to which the candidate had—

14                   “(i) legal and rightful title; or

15                   “(ii) an equitable interest;

16           “(B) income received during the current elec-  
 17       tion cycle of the candidate, including—

18                   “(i) a salary and other earned income from  
 19       bona fide employment;

20                   “(ii) dividends and proceeds from the sale  
 21       of the candidate’s stocks or other investments;

22                   “(iii) bequests to the candidate;

23                   “(iv) income from trusts established before  
 24       the beginning of the election cycle;

1 “(v) income from trusts established by be-  
 2 quest after the beginning of the election cycle of  
 3 which the candidate is the beneficiary;

4 “(vi) gifts of a personal nature that had  
 5 been customarily received by the candidate  
 6 prior to beginning of the election cycle; and

7 “(vii) proceeds from lotteries and similar  
 8 legal games of chance; and

9 “(C) a portion of assets that are jointly owned  
 10 by the candidate and the candidate’s spouse equal to  
 11 the candidate’s share of the asset under the instru-  
 12 ment of conveyance or ownership but if no specific  
 13 share is indicated by an instrument of conveyance or  
 14 ownership, the value of  $\frac{1}{2}$  of the property.”.

15 **SEC. 203. LIMIT ON SENATE USE OF THE FRANKING PRIVI-**  
 16 **LEGE.**

17 Section 3210(a)(6) of title 39, United States Code,  
 18 is amended—

19 (1) in subparagraph (A)—

20 (A) in the matter preceding clause (i), by  
 21 striking “Congress may not” and inserting “the  
 22 House of Representatives may not”; and

23 (B) in clause (i), by striking “60 days (or,  
 24 in the case of a Member of the House, fewer  
 25 than 90 days)” and inserting “90 days”; and

(2) by striking subparagraph (C) and inserting the following:

“(C)(i) A Member of the Senate shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that office in that year.

“(ii) A Member of the Senate shall not mail any mass mailing as franked mail if the mass mailing is postmarked fewer than 60 days before the date of any primary election or general election (whether regular, special, or runoff) for any national, State, or local office in which the Member is a candidate for election.”.

## **TITLE III—VOLUNTARINESS OF POLITICAL CONTRIBUTIONS**

### **SEC. 301. CONSENT FOR USE OF DUES AND FEES OF LABOR ORGANIZATIONS.**

(a) FINDINGS.—Congress finds that—

(1) workers who pay dues or fees to a labor organization may not, as a matter of law, be required

1 to pay to that organization any dues or fees support-  
2 ing activities that are not necessary to perform the  
3 duties of the exclusive representative of employees in  
4 dealing with the employer on labor-management is-  
5 sues;

6 (2) many labor organizations use portions of  
7 the dues or fees they collect from the workers they  
8 represent for activities that are not necessary to per-  
9 form those duties, such as supporting political, so-  
10 cial, or charitable causes or other non-collective bar-  
11 gaining activities;

12 (3) unfortunately, many workers who pay such  
13 dues or fees have insufficient information about the  
14 workers' rights regarding the payment of dues or  
15 fees to a labor organization and how labor organiza-  
16 tions spend employee dues or fees; and

17 (4) it is a fundamental tenet of this Nation that  
18 all men and women have a right to make individual  
19 and informed choices about the political, social, or  
20 charitable causes they support, and the law should  
21 protect that right to the greatest extent possible.

22 (b) PURPOSE.—The purpose of this section is to en-  
23 sure that—

24 (1) all workers have sufficient information  
25 about their rights regarding the payment of dues or

1 fees to labor organizations and the uses of employee  
2 dues and fees by labor organizations; and

3 (2) the right of all workers to make individual  
4 and informed choices about the political, social, or  
5 charitable causes they support is protected to the  
6 greatest extent possible.

7 (c) WRITTEN CONSENT.—

8 (1) IN GENERAL.—

9 (A) AUTHORIZATION.—Before accepting  
10 payment of any dues or fees from an employee  
11 as a condition of employment, under an agree-  
12 ment authorized by Federal law, a labor organi-  
13 zation shall obtain from each employee vol-  
14 untary, written authorization for any portion of  
15 the dues or fees that will be used for an activity  
16 that is not necessary to perform the duties of  
17 the exclusive representative of the employees in  
18 dealing with the employer on labor-management  
19 issues.

20 (B) REQUIREMENTS.—An authorization  
21 under subparagraph (A) shall clearly state  
22 that—

23 (i) an employee may not be required  
24 to provide the authorization; and

1 (ii) if the authorization is provided,  
2 the employee agrees to allow any dues or  
3 fees paid to the labor organization to be  
4 used for activities that are not necessary to  
5 perform the duties of the exclusive rep-  
6 resentative and that may be political, so-  
7 cial, or charitable in nature.

8 (2) REVOCATION.—An authorization under  
9 paragraph (1) is effective until revoked by written  
10 notice to the labor organization and a revocation  
11 shall be effective on the date that is 30 days after  
12 the date of receipt of the notice by the labor organi-  
13 zation.

14 (3) CIVIL ACTION BY EMPLOYEE.—

15 (A) IN GENERAL.—An affected employee  
16 may bring a civil action against a labor organi-  
17 zation that violates this subsection in any Fed-  
18 eral or State court of competent jurisdiction  
19 for—

20 (i) damages equal to—

21 (I) twice the amount of the dues  
22 or fees accepted in violation of this  
23 subsection; and

1 (II) the interest on the amount  
 2 described in subclause (I) calculated  
 3 at the prevailing rate; and

4 (ii) such equitable relief as may be ap-  
 5 propriate.

6 (B) FEES AND COSTS.—The court shall, in  
 7 addition to any judgment awarded to the plain-  
 8 tiff, allow a reasonable attorney’s fee, reason-  
 9 able expert witness fee, and other costs of the  
 10 civil action.

11 (C) LIMITATION.—

12 (i) IN GENERAL.—Except as provided  
 13 in clause (ii), a civil action may be brought  
 14 under this paragraph not later than the  
 15 date that is 2 years after the date on  
 16 which the employee knew or should have  
 17 known that dues or fees were accepted or  
 18 spent by a labor organization in violation  
 19 of this subsection.

20 (ii) WILLFUL VIOLATION.—In the  
 21 case of a willful violation of this sub-  
 22 section, clause (i) shall be applied by sub-  
 23 stituting “3 years” for “2 years”.

24 (d) NOTICE.—An employer shall post a notice, of  
 25 such size and in such form as the Secretary of Labor shall

1 prescribe, in conspicuous places on the employer's prop-  
 2 erty (including plants, offices, and all places where notices  
 3 to employees are customarily posted) informing employees  
 4 that any labor organization accepting payment of any dues  
 5 or fees from an employee as a condition of employment  
 6 under an agreement authorized by Federal law must ob-  
 7 tain from each employee prior, written authorization if any  
 8 portion of such dues or fees will be used for activities not  
 9 necessary to perform the duties of the exclusive represent-  
 10 ative of the employees in dealing with the employer on  
 11 labor-management issues.

12 (e) DISCLOSURE TO WORKERS.—

13 (1) EXPENSES REPORTING.—Section 201(b)(6)  
 14 of the Labor-Management Reporting and Disclosure  
 15 Act of 1959 (29 U.S.C. 431(b)(6)) is amended by  
 16 inserting “and attributing the disbursements in such  
 17 detail as necessary to allow members and employees  
 18 required to pay any dues or fees to the labor organi-  
 19 zation to determine whether the disbursements were  
 20 necessary to perform the duties of the exclusive rep-  
 21 resentative of the employees in dealing with the em-  
 22 ployer on labor-management issues” before “there-  
 23 of”.

24 (2) DISCLOSURE.—Section 201(c) of the Labor-  
 25 Management Reporting and Disclosure Act of 1959



1 (29 U.S.C. 431(c)) is amended in the first sen-  
2 tence—

3 (A) by inserting “and employees required  
4 to pay any dues or fees to the labor organiza-  
5 tion” after “members”; and

6 (B) by inserting “or employee required to  
7 pay any dues or fees to the labor organization”  
8 after “member” each place it appears.

9 (3) WRITTEN REQUESTS.—Section 205 of the  
10 Labor-Management Reporting and Disclosure Act of  
11 1959 (29 U.S.C. 435) is amended—

12 (A) by striking subsection (b) and insert-  
13 ing the following:

14 “(b) INSPECTION, EXAMINATION, AND COPYING OF  
15 INFORMATION AND DATA.—The Secretary shall by regula-  
16 tion make reasonable provision for—

17 “(1) on the request of any person, the inspec-  
18 tion and examination of the information and data  
19 contained in any report or other document filed with  
20 the Secretary under section 201, 202, 203, or 211;  
21 and

22 “(2) on written request of any person, the avail-  
23 ability of complete copies of any report or other doc-  
24 ument filed under section 201.”; and

1 (B) in subsection (c), in the first sentence,  
 2 by inserting “(except as provided in subsection  
 3 (b)(2))” before the period.

4 (f) REGULATIONS.—The Secretary of Labor shall  
 5 promulgate a regulation as necessary to carry out—

6 (1) the amendments made by subsection (d),  
 7 not later than the date that is 60 days after the date  
 8 of enactment of this Act; and

9 (2) the amendments made by subsection (e),  
 10 not later than the date that is 120 days after the  
 11 date of enactment of this Act.

12 **SEC. 302. CORPORATE SHAREHOLDER NOTIFICATION.**

13 Title III of the Federal Election Campaign Act of  
 14 1971 (2 U.S.C. 431 et seq.) is amended by inserting after  
 15 section 316 the following:

16 **“SEC. 316A. CORPORATE SHAREHOLDER NOTIFICATION.**

17 “A corporation required by any law of Congress to  
 18 submit an annual report to the corporation’s shareholders  
 19 shall disclose—

20 “(1) the aggregate amount of donations (as de-  
 21 fined in section 301(20)) made by the corporation  
 22 during the year; and

23 “(2) the name of the political committee to  
 24 which each donation was made.”.

1       **TITLE IV—ELIMINATION OF**  
 2       **ELECTION CAMPAIGN EXCESSES**

3       **SEC. 401. PROHIBITION OF FUNDRAISING ON FEDERAL**  
 4                       **PROPERTY AND OTHER CRIMINAL PROHIBI-**  
 5                       **TIONS.**

6       (a) PROHIBITION OF FUNDRAISING ON FEDERAL  
 7       PROPERTY.—Section 607 of title 18, United States Code,  
 8       is amended—

9               (1) in subsection (a), by striking “within the  
 10       meaning of section 301(8)” and inserting “or dona-  
 11       tion within the meaning of paragraphs (8) and (20)  
 12       of section 301(8)”; and

13              (2) in subsection (b)—

14                       (A) by inserting “or donations” after “con-  
 15       tributions” each place it appears;

16                       (B) by inserting “or donation” after “con-  
 17       tribution”; and

18                       (C) by inserting “donator” after “contribu-  
 19       tor”.

20       (b) AMENDMENT OF TITLE 18 TO INCLUDE PROHI-  
 21       BITION OF DONATIONS.—Chapter 29 of title 18, United  
 22       States Code, is amended—

23               (1) in section 602(a)(4), by striking “within the  
 24       meaning of section 301(8)” and inserting “or dona-

1       tion within the meaning of paragraphs (8) and (20)  
2       of section 301”; and

3               (2) in section 603(a)—

4                       (A) by striking “within the meaning of sec-  
5                       tion 301(8)” and inserting “or donation within  
6                       the meaning of paragraphs (8) and (20) of sec-  
7                       tion 301”; and

8                       (B) by inserting “or donation” after con-  
9                       tribution the second and third time it appears.

10       (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to violations occurring on or after  
12 the date of enactment of this Act.

13 **SEC. 402. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DO-**  
14 **NATIONS IN TREASURY ACCOUNT.**

15       (a) IN GENERAL.—Title III of the Federal Election  
16 Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended  
17 by adding at the end the following:

18 **“SEC. 324. TREATMENT OF CERTAIN CONTRIBUTIONS AND**  
19 **DONATIONS TO BE RETURNED TO DONORS.**

20       “(a) TRANSFER TO COMMISSION.—

21               “(1) IN GENERAL.—Notwithstanding any other  
22 provision of this Act, if a political committee intends  
23 to return any contribution or donation given to the  
24 political committee, the committee shall transfer the  
25 contribution or donation to the Commission if—

1           “(A) the contribution or donation is in an  
 2           amount equal to or greater than \$500 (other  
 3           than a contribution or donation returned within  
 4           60 days of receipt by the committee); or

5           “(B) the contribution or donation was  
 6           made in violation of section 315, 316, 317, 319,  
 7           320, or 325 (other than a contribution or dona-  
 8           tion returned within 30 days of receipt by the  
 9           committee).

10          “(2) INFORMATION INCLUDED WITH TRANS-  
 11          FERRED CONTRIBUTION OR DONATION.—A political  
 12          committee shall include with any contribution or do-  
 13          nation transferred under paragraph (1)—

14               “(A) a request that the Commission return  
 15               the contribution or donation to the person mak-  
 16               ing the contribution or donation; and

17               “(B) information regarding the cir-  
 18               cumstances surrounding the making of the con-  
 19               tribution or donation and any opinion of the po-  
 20               litical committee concerning whether the con-  
 21               tribution or donation may have been made in  
 22               violation of this Act.

23          “(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

24               “(A) IN GENERAL.—The Commission shall  
 25               establish a single interest-bearing escrow ac-

1 count for deposit of amounts transferred under  
2 paragraph (1).

3 “(B) DISPOSITION OF AMOUNTS RE-  
4 CEIVED.—On receiving an amount from a polit-  
5 ical committee under paragraph (1), the Com-  
6 mission shall—

7 “(i) deposit the amount in the escrow  
8 account established under subparagraph  
9 (A); and

10 “(ii) notify the Attorney General and  
11 the Commissioner of the Internal Revenue  
12 Service of the receipt of the amount from  
13 the political committee.

14 “(C) USE OF INTEREST TO COVER ADMIN-  
15 ISTRATIVE COSTS.—Any interest earned on  
16 amounts in the escrow account established  
17 under subparagraph (A) shall be applied toward  
18 the administrative costs incurred by the Com-  
19 mission in establishing and administering the  
20 account, and any remaining interest shall be de-  
21 posited in the general fund of the Treasury.

22 “(4) TREATMENT OF RETURNED CONTRIBU-  
23 TION OR DONATION AS A COMPLAINT.—The transfer  
24 of any contribution or donation to the Commission

1 under this section shall be treated as the filing of  
2 a complaint under section 309(a).

3 “(b) USE OF AMOUNTS PLACED IN ESCROW TO  
4 COVER FINES AND PENALTIES.—The Commission or the  
5 Attorney General may require any amount deposited in  
6 the escrow account under subsection (a)(3) to be applied  
7 toward the payment of any fine or penalty imposed under  
8 this Act or title 18, United States Code against the person  
9 making the contribution or donation.

10 “(c) RETURN OF CONTRIBUTION OR DONATION  
11 AFTER DEPOSIT IN ESCROW.—

12 “(1) IN GENERAL.—The Commission shall re-  
13 turn a contribution or donation deposited in the es-  
14 crow account under subsection (a)(3) to the person  
15 making the contribution or donation if—

16 “(A) within 180 days after the date the  
17 contribution or donation is transferred, the  
18 Commission has not made a determination  
19 under section 309(a)(2) that the Commission  
20 has reason to believe that the making of the  
21 contribution or donation was made in violation  
22 of this Act; or

23 “(B)(i) the contribution or donation will  
24 not be used to cover fines, penalties, or costs  
25 pursuant to subsection (b); or

1           “(ii) if the contribution or donation will be  
 2           used for those purposes, that the amounts re-  
 3           quired for those purposes have been withdrawn  
 4           from the escrow account and subtracted from  
 5           the returnable contribution or donation.

6           “(2) NO EFFECT ON STATUS OF INVESTIGA-  
 7           TION.—The return of a contribution or donation by  
 8           the Commission under this subsection shall not be  
 9           construed as having an effect on the status of an in-  
 10          vestigation by the Commission or the Attorney Gen-  
 11          eral of the contribution or donation or the cir-  
 12          cumstances surrounding the contribution or dona-  
 13          tion, or on the ability of the Commission or the At-  
 14          torney General to take future actions with respect to  
 15          the contribution or donation.”.

16          (b) AMOUNTS USED TO DETERMINE AMOUNT OF  
 17          PENALTY FOR VIOLATION.—Section 309(a) of the Federal  
 18          Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is  
 19          amended by inserting after paragraph (9) the following:

20          “(10) For purposes of determining the amount of a  
 21          civil penalty imposed under this subsection for a violation  
 22          of section 324, the amount of the donation involved shall  
 23          be treated as the amount of the contribution involved.”.



1 (c) DISGORGEMENT AUTHORITY.—Section 309 of the  
 2 Federal Election Campaign Act of 1971 (2 U.S.C. 437g)  
 3 is amended by adding at the end the following:

4 “(e) DISGORGEMENT AUTHORITY.—Any conciliation  
 5 agreement, civil action, or criminal action entered into or  
 6 instituted under this section may require a person to for-  
 7 feit to the Treasury any contribution, donation, or expend-  
 8 iture that is the subject of the agreement or action for  
 9 transfer to the Commission for deposit in accordance with  
 10 section 324.”.

11 (d) EFFECTIVE DATE.—The amendments made by  
 12 subsections (a) and (b) shall apply with respect to con-  
 13 tributions or donations returned on or after the date of  
 14 enactment of this Act, without regard to whether the Fed-  
 15 eral Election Commission or Attorney General has issued  
 16 regulations to carry out section 324 of the Federal Elec-  
 17 tion Campaign Act of 1971 (as added by subsection (a))  
 18 by that date.

19 **SEC. 403. NATIONAL POLITICAL PARTY COMMITTEES;**  
 20 **“SOFT” AND “HARD” MONEY.**

21 (a) “SOFT” MONEY OF NATIONAL POLITICAL PARTY  
 22 COMMITTEES.—Title III of the Federal Election Cam-  
 23 paign Act of 1971 (2 U.S.C. 431 et seq.) (as amended  
 24 by section 402) is amended by adding at the end the fol-  
 25 lowing:

1 **“SEC. 325. ‘SOFT’ MONEY OF POLITICAL PARTY COMMIT-**  
 2 **TEES.**

3 “A national committee of a political party, any subor-  
 4 dinate committee of a national committee, a Senatorial or  
 5 Congressional Campaign Committee of a national political  
 6 party, or an entity that is directly or indirectly established,  
 7 financed, maintained, or controlled by a national commit-  
 8 tee or a Senatorial or Congressional Campaign Committee  
 9 of a national political party or that is an entity acting on  
 10 behalf of a national committee or a Senatorial or Congres-  
 11 sional Campaign Committee of a national political party  
 12 shall not accept donations from any person during a cal-  
 13 endar year in an aggregate amount that exceeds  
 14 \$100,000.”.

15 (b) INCREASE IN “HARD” LIMITS ON CONTRIBU-  
 16 TIONS.—Section 315(a) of the Federal Election Campaign  
 17 Act of 1971 (2 U.S.C. 441a(a)) is amended—

18 (1) in paragraph (1)(B), by striking “\$20,000”  
 19 and inserting “\$50,000”; and

20 (2) in paragraph (3), by striking “\$25,000”  
 21 and inserting “\$50,000”.

22 **SEC. 404. PROHIBITION OF CONVERSION OF CAMPAIGN**  
 23 **FUNDS TO PERSONAL USE.**

24 Section 313 of the Federal Election Campaign Act  
 25 of 1971 (2 U.S.C. 439a) is amended to read as follows:

1 **“SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN**  
 2 **PURPOSES.**

3 “(a) PERMITTED USES.—A contribution accepted by  
 4 a candidate, and any other amount received by an individ-  
 5 ual as support for activities of the individual as a holder  
 6 of Federal office, may be used by the candidate or individ-  
 7 ual—

8 “(1) for expenditures in connection with the  
 9 campaign for Federal office of the candidate or indi-  
 10 vidual;

11 “(2) for ordinary and necessary expenses in-  
 12 curred in connection with duties of the individual as  
 13 a holder of Federal office;

14 “(3) for a charitable contribution (as defined in  
 15 section 170(c) of the Internal Revenue Code of  
 16 1986) to an organization described in section  
 17 170(c)(2) of such Code; or

18 “(4) for transfers to a national, State, or local  
 19 committee of a political party.

20 “(b) PROHIBITED USE.—

21 “(1) IN GENERAL.—A contribution or amount  
 22 described in subsection (a) shall not be converted by  
 23 any person to personal use.

24 “(2) CONVERSION.—For the purposes of para-  
 25 graph (1), a contribution or amount shall be consid-  
 26 ered to be converted to personal use if the contribu-

1       tion or amount is used to fulfill any commitment,  
2       obligation, or expense of a person that would exist  
3       irrespective of the candidate's election campaign or  
4       individual's duties as a holder of Federal office, in-  
5       cluding—

6               “(A) a home mortgage, rent, or utility pay-  
7       ment;

8               “(B) a clothing purchase;

9               “(C) a noncampaign-related automobile ex-  
10      pense;

11              “(D) a country club membership;

12              “(E) a vacation or other noncampaign-re-  
13      lated trip;

14              “(F) a household food item;

15              “(G) a tuition payment;

16              “(H) admission to a sporting event, con-  
17      cert, theater, or other form of entertainment  
18      not associated with an election campaign; and

19              “(I) dues, fees, and other payments to a  
20      health club or recreational facility.”.

# TITLE V—ENHANCED DISCLOSURE

## SEC. 501. REPORTING REQUIREMENTS FOR CANDIDATES.

(a) WEEKLY REPORTS.—Section 304(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended—

(1) in clause (ii), by striking “and” at the end;

and

(2) by adding at the end the following:

“(iv) beginning on the date that is 30 days before the date of the general election and ending on the date of the general election, additional weekly reports which shall be filed not later than Monday of each week; and”.

(b) EXPEDITED REPORTING FOR LARGE CONTRIBUTIONS MADE TO PRINCIPAL CAMPAIGN COMMITTEE WITHIN 90 DAYS OF ELECTION.—Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended by striking “after the 20th day” and inserting “after the 90th day before an election”.

(c) WAIVER OF “BEST EFFORTS” EXCEPTION FOR INFORMATION ON IDENTIFICATION OF CONTRIBUTORS.—Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

1           (1) by striking “(i) When the treasurer” and  
 2           inserting “(i)(1) Except as provided in paragraph  
 3           (2), when the treasurer”; and

4           (2) by adding at the end the following:

5           “(2) Paragraph (1) shall not apply with respect to  
 6           information regarding the identification of any person who  
 7           makes a contribution or contributions aggregating more  
 8           than \$200 during a calendar year (as required to be pro-  
 9           vided under subsection (c)(3)).”.

10   **SEC. 502. ACCESS TO INFORMATION ON THE INTERNET.**

11           Section 304 of the Federal Election Campaign Act  
 12           of 1971 (2 U.S.C. 434(a)) is amended by adding at the  
 13           end the following:

14           “(d) ELECTRONIC DISCLOSURE TO THE PUBLIC.—  
 15           The Commission shall make the information contained in  
 16           a report submitted under this section available to the pub-  
 17           lic on the Internet and at the offices of the Commission  
 18           as soon as practicable after the information is received by  
 19           the Commission.”.

20   **SEC. 503. REPORTING REQUIREMENTS FOR INDEPENDENT**  
 21                           **EXPENDITURES WITHIN 20 DAYS BEFORE AN**  
 22                           **ELECTION.**

23           Section 304 of the Federal Election Campaign Act  
 24           of 1971 (2 U.S.C. 434(c)) is amended—

1           (1) by redesignating subsection (d) (as added  
2       by section 502) as subsection (e); and

3           (2) in subsection (c)—

4               (A) in paragraph (2), by striking the un-  
5       designated matter after subparagraph (C);

6               (B) by redesignating paragraph (3) as  
7       paragraph (7); and

8               (C) by inserting after paragraph (2) the  
9       following:

10       “(d) TIME FOR REPORTING CERTAIN EXPENDI-  
11   TURES.—

12           “(1) EXPENDITURES AGGREGATING \$1,000.—

13               “(A) INITIAL REPORT.—A person that  
14       makes independent expenditures aggregating  
15       \$1,000 or more after the 20th day, but more  
16       than 24 hours, before the date of an election  
17       shall file a report describing the expenditures  
18       within 24 hours after that amount of independ-  
19       ent expenditures has been made.

20               “(B) ADDITIONAL REPORTS.—After a per-  
21       son files a report under subparagraph (A), the  
22       person shall file an additional report each time  
23       that independent expenditures aggregating an  
24       additional \$1,000 are made with respect to the

1 same election as that to which the initial report  
2 relates.

3 “(2) EXPENDITURES AGGREGATING \$10,000.—

4 “(A) INITIAL REPORT.—A person that  
5 makes independent expenditures aggregating  
6 \$10,000 or more at any time up to and includ-  
7 ing the 20th day before an election shall file a  
8 report describing the expenditures within 48  
9 hours after that amount of independent expend-  
10 itures is made.

11 “(B) ADDITIONAL REPORTS.—After a per-  
12 son files a report under subparagraph (A), the  
13 person shall file an additional report each time  
14 that independent expenditures aggregating an  
15 additional \$10,000 are made with respect to the  
16 same election as that to which the initial report  
17 relates.

18 “(3) PLACE OF FILING; CONTENTS; TRANSMIT-  
19 TAL.—

20 “(A) PLACE OF FILING; CONTENTS.—A re-  
21 port under this subsection—

22 “(i) shall be filed with the Commis-  
23 sion; and

24 “(ii) shall contain the information re-  
25 quired by subsection (b)(6)(B)(iii).



1           “(B) TRANSMITTAL TO CANDIDATES.—Not  
 2           later than 2 business days after receipt of a re-  
 3           port under this subsection, the Commission  
 4           shall transmit a copy of the report to each can-  
 5           didate seeking nomination for election to, or  
 6           election to, the office in question.

7           “(4) OBLIGATION TO MAKE EXPENDITURE.—  
 8           For purposes of this subsection, an expenditure shall  
 9           be treated as being made on the making of any pay-  
 10          ment or the taking of any action to incur an obliga-  
 11          tion for payment.”.

12 **SEC. 504. REQUIRED LOBBYIST DISCLOSURE OF CONTRIBU-**  
 13 **TIONS AND DONATIONS.**

14          Section 5 of the Lobbying Disclosure Act of 1995 (2  
 15 U.S.C. 1604) is amended—

16           (1) in subsection (a), by inserting “, contribu-  
 17          tions, and donations” after “lobbying activities”;  
 18          and

19           (2) in subsection (b)—

20           (A) in paragraph (3), by striking “; and”  
 21          at the end;

22           (B) in paragraph (4), by striking the pe-  
 23          riod at the end and inserting “; and”; and

24           (C) by adding at the end the following:

1           “(5) if the registrant, the registrant’s employer,  
 2           or a separate segregated fund of such employer has  
 3           made a contribution or donation (as defined in sec-  
 4           tion 301 of the Federal Election Campaign Act of  
 5           1971 (2 U.S.C. 431)) to a covered executive branch  
 6           official, covered legislative branch official, or political  
 7           committee (as defined in section 301 of the Federal  
 8           Election Campaign Act of 1971 (2 U.S.C. 431)), the  
 9           amount of the contribution or donation, the official  
 10          or political committee to whom the contribution or  
 11          donation was made, and the date on which the con-  
 12          tribution or donation was made.”.

## 13       **TITLE VI—FEDERAL ELECTION** 14       **COMMISSION REFORM**

### 15   **SEC. 601. FILING OF REPORTS USING COMPUTERS AND** 16       **FACSIMILE MACHINES.**

17          Section 304(a) of the Federal Election Campaign Act  
 18          of 1971 (2 U.S.C. 434(a)) is amended by striking para-  
 19          graph (11) and inserting the following:

20               “(11) FILING REPORTS USING COMPUTERS AND  
 21               FACSIMILE MACHINES.—

22                       “(A)     SOFTWARE.—The     Commission  
 23                       shall—

1 “(i) develop software for use to file a  
 2 designation, statement, or report under  
 3 this Act; and

4 “(ii) provide a copy of the software at  
 5 no cost to a person required to file a des-  
 6 ignation, statement, or report under this  
 7 Act.

8 “(B) COMPUTERS.—The Commission shall  
 9 promulgate a regulation under which a person  
 10 required to file a designation, statement, or re-  
 11 port under this Act—

12 “(i) is required to maintain and file  
 13 the designation, statement, or report for  
 14 any calendar year in electronic form acces-  
 15 sible by computers if the person has, or  
 16 has reason to expect to have, aggregate  
 17 contributions or expenditures in excess of a  
 18 threshold amount determined by the Com-  
 19 mission; and

20 “(ii) may maintain and file a designa-  
 21 tion, statement, or report in that manner  
 22 if not required to do so under a regulation  
 23 promulgated under clause (i).

24 “(C) FACSIMILE MACHINE.—The Commis-  
 25 sion shall promulgate a regulation which allows

1 a person to file a designation, statement, or re-  
 2 port required by this Act through the use of a  
 3 facsimile machine.

4 “(D) VERIFICATION OF SIGNATURE.—In  
 5 promulgating a regulation under this para-  
 6 graph, the Commission shall provide methods  
 7 (other than requiring a signature on the docu-  
 8 ment being filed) for verifying a designation,  
 9 statement, or report covered by the regulation.  
 10 A document verified under any of the methods  
 11 shall be treated for all purposes (including pen-  
 12 alties for perjury) in the same manner as a doc-  
 13 ument verified by signature.”.

14 **SEC. 602. TERM LIMITS FOR FEDERAL ELECTION COMMIS-**  
 15 **SION.**

16 (a) IN GENERAL.—Section 306(a)(2)(A) of the Fed-  
 17 eral Election Campaign Act of 1971 (2 U.S.C.  
 18 437c(a)(2)(A)) is amended in the matter preceding clause  
 19 (i) by striking “terms of 6 years” and inserting “no more  
 20 than 1 term of 8 years”.

21 (b) EFFECTIVE DATE.—The amendment made by  
 22 subsection (a) shall apply to appointments made after the  
 23 date of enactment of this Act.

1 **SEC. 603. INCREASE IN PENALTY FOR KNOWING AND WILL-**  
 2 **FUL VIOLATIONS.**

3 Section 309(a)(5)(B) of the Federal Election Cam-  
 4 paign Act of 1971 (2 U.S.C. 437g(a)(5)(B)) is amended  
 5 by striking “the greater of \$10,000 or an amount equal  
 6 to 200 percent” and inserting “the greater of \$15,000 or  
 7 an amount equal to 300 percent”.

8 **SEC. 604. CIVIL PENALTIES FOR MINOR REPORTING VIOLA-**  
 9 **TIONS.**

10 Section 309(a)(4)(A) of the Federal Election Cam-  
 11 paign Act of 1971 (2 U.S.C. 437g(a)(4)(A)) is amended—

12 (1) in the first sentence of clause (i) by striking  
 13 “clause (ii)” and inserting “clauses (ii) and (iii)”;  
 14 and

15 (2) by adding at the end the following:

16 “(iii) MINOR REPORTING VIOLATIONS.—

17 “(I) DEFINITION OF MINOR REPORTING  
 18 VIOLATION.—The Commission shall by regula-  
 19 tion establish a definition of the term ‘minor re-  
 20 porting violation’ for the purposes of this  
 21 clause.

22 “(II) ASSESSMENT BY THE COMMISSION.—

23 After notice and hearing, the Commission may,  
 24 without following the procedure of subpara-  
 25 graph (A) or paragraph (5) or (6), assess a civil

1 penalty against a person that commits a minor  
2 reporting violation.

3 “(III) SCHEDULE OF AMOUNTS OF CIVIL  
4 PENALTIES.—The Commission shall by regula-  
5 tion establish a schedule of the amounts (or  
6 ranges of amounts) of civil penalties (not to ex-  
7 ceed \$5,000) that shall be assessed for different  
8 categories of minor reporting violations.

9 “(IV) CONSIDERATIONS.—In determining  
10 the amounts of civil penalties, the Commission  
11 shall consider the effect that a violation could  
12 be expected to have on the conduct of an elec-  
13 tion campaign or on the outcome of an election,  
14 the previous compliance record of the violator,  
15 and other appropriate factors.

16 “(V) LIMITATION.—A civil penalty as-  
17 sessed by the Commission under this clause  
18 shall not be made public within 30 days before  
19 the date of an election.

20 “(VI) ENFORCEMENT AND JUDICIAL RE-  
21 VIEW.—The Commission, acting through its  
22 own attorneys, may bring a civil action in Unit-  
23 ed States district court for payment of, and a  
24 person against whom a civil penalty has been  
25 assessed may bring a civil action in United

1 States district court to review, a civil penalty  
 2 under subclause (II). Paragraph (7) shall apply  
 3 to a civil action under this subclause.

4 “(VII) ELECTION OF REMEDY.—If the  
 5 Commission elects to proceed under this clause  
 6 against a person for a minor reporting viola-  
 7 tion, the Commission shall be precluded from  
 8 seeking enforcement with respect to that viola-  
 9 tion under any other provision of this Act or  
 10 other law.”.

11 **SEC. 605. ORAL ARGUMENTS; INDEX OF ACTIONS.**

12 (a) OPPORTUNITY FOR ORAL ARGUMENTS BEFORE  
 13 COMMISSION.—Section 309(a)(3) of the Federal Election  
 14 Campaign Act of 1971 (2 U.S.C. 437g(a)(3)) is amend-  
 15 ed—

16 (1) by striking “(3)” and inserting “(3)(A)”;  
 17 and

18 (2) by adding at the end the following:

19 “(B) ORAL ARGUMENT.—

20 “(i) REQUEST.—If a respondent sub-  
 21 mits a brief under subparagraph (A), the  
 22 respondent may submit, with the brief, a  
 23 request to present an oral argument before  
 24 the Commission in support of the respond-  
 25 ent’s brief.

1 “(ii) PRESENTATION.—

2 “(I) IN GENERAL.—If at least 2  
3 members of the Commission approve  
4 of the request, the respondent or the  
5 respondent’s representative shall ap-  
6 pear before the Commission in an  
7 open session and make an oral presen-  
8 tation in support of the brief and re-  
9 spond to questions of members of the  
10 Commission.

11 “(II) TIME.—The appearance  
12 shall take place at a time specified by  
13 the Commission during the 30-day pe-  
14 riod that begins on the date the re-  
15 quest is approved, and the Commis-  
16 sion may limit the length of the re-  
17 spondent’s appearance to a period of  
18 time that the Commission considers  
19 appropriate.

20 “(III) CONSIDERATION.—Infor-  
21 mation provided by the respondent  
22 during the appearance shall be consid-  
23 ered by the Commission before pro-  
24 ceeding under paragraph (4).”.



1 (b) INDEX OF ADVISORY OPINIONS, REGULATIONS,  
 2 AND ENFORCEMENT ACTIONS.—Section 311 of the Fed-  
 3 eral Election Campaign Act of 1971 (2 U.S.C. 438) is  
 4 amended by adding at the end the following:

5 “(g) COMPILATION OF INDEX.—The Commission  
 6 shall compile, publish, and regularly update a complete  
 7 and detailed index of the advisory opinions issued under  
 8 this section 308, enforcement actions under section 309,  
 9 and regulations issued under this Act.”.

10 **SEC. 606. CHANGE IN CERTAIN REPORTING FROM A CAL-**  
 11 **ENDAR YEAR BASIS TO AN ELECTION CYCLE**  
 12 **BASIS.**

13 Paragraphs (2), (3), (4), (5), (6), and (7) of section  
 14 304(b) of the Federal Election Campaign Act of 1971 (2  
 15 U.S.C. 434(b)) are amended by inserting “(election cycle,  
 16 in the case of a candidate’s authorized committee)” after  
 17 “calendar year” each place it appears.

18 **SEC. 607. CONFIRMATION OF GENERAL COUNSEL AND EX-**  
 19 **ECUTIVE DIRECTOR.**

20 Section 306(f)(1) of the Federal Election Campaign  
 21 Act of 1971 (2 U.S.C. 437c(f)(1)) is amended in the first  
 22 sentence by striking “Commission” and inserting “Presi-  
 23 dent, by and with the advice and consent of the Senate”  
 24 before the period.

1 **TITLE VII—IMPROVEMENTS TO**  
 2 **THE NATIONAL VOTER REG-**  
 3 **ISTRATION ACT**

4 **SEC. 701. REPEAL OF REQUIREMENT FOR STATES TO PRO-**  
 5 **VIDE FOR VOTER REGISTRATION BY MAIL.**

6 (a) IN GENERAL.—Section 4(a) of the National Voter  
 7 Registration Act of 1993 (42 U.S.C. 1973gg–2(a)) is  
 8 amended—

9 (1) in paragraph (1), by adding “and” at the  
 10 end;

11 (2) by striking paragraph (2); and

12 (3) by redesignating paragraph (3) as para-  
 13 graph (2).

14 (b) CONFORMING AMENDMENTS RELATING TO UNI-  
 15 FORM MAIL VOTER REGISTRATION FORM.—(1) The Na-  
 16 tional Voter Registration Act of 1993 (42 U.S.C. 1973gg  
 17 et seq.) is amended by striking section 9.

18 (2) Section 7(a)(6)(A) of such Act (42 U.S.C.  
 19 1973gg–5(a)(6)(A)) is amended by striking “assist-  
 20 ance—” and all that follows and inserting the following:  
 21 “assistance, a voter registration application form which  
 22 meets the requirements described in section 5(c)(2) (other  
 23 than subparagraph (A)), unless the applicant, in writing,  
 24 declines to register to vote;”.

1 (c) OTHER CONFORMING AMENDMENTS.—(1) The  
 2 National Voter Registration Act of 1993 (42 U.S.C.  
 3 1973gg et seq.) is amended by striking section 6.

4 (2) Section 8(a)(5) of such Act (42 U.S.C. 1973gg–  
 5 6(a)(5)) is amended by striking “5, 6, and 7” and insert-  
 6 ing “5 and 7”.

7 **SEC. 702. REQUIRING APPLICANTS REGISTERING TO VOTE**  
 8 **TO PROVIDE CERTAIN ADDITIONAL INFOR-**  
 9 **MATION.**

10 (a) SOCIAL SECURITY NUMBER.—

11 (1) IN GENERAL.—Section 5(c)(2) of the Na-  
 12 tional Voter Registration Act of 1993 (42 U.S.C.  
 13 1973gg–3(c)(2)) is amended—

14 (A) by striking “and” at the end of sub-  
 15 paragraph (D);

16 (B) by striking the period at the end of  
 17 subparagraph (E) and inserting “; and”; and

18 (C) by adding at the end the following:

19 “(F) shall require the applicant to provide  
 20 the applicant’s Social Security number.”.

21 (2) CONFORMING AMENDMENT.—Section  
 22 5(c)(2)(A) of such Act (42 U.S.C. 1973gg–  
 23 3(c)(2)(A)) is amended by inserting after “subpara-  
 24 graph (C)” the following: “, or the information de-  
 25 scribed in subparagraph (F)”.

1           (3) EFFECTIVE DATE.—The amendments made  
 2       by this section shall take effect January 1, 1998,  
 3       and shall apply with respect to applicants registering  
 4       to vote in elections for Federal office on or after  
 5       such date.

6       (b) ACTUAL PROOF OF CITIZENSHIP.—

7           (1) REGISTRATION WITH APPLICATION FOR  
 8       DRIVER’S LICENSE.—Section 5(c) of the National  
 9       Voter Registration Act of 1993 (42 U.S.C. 1973gg–  
 10      3(c)) is amended by adding at the end the following:  
 11      “(3) The voter registration portion of an application  
 12      for a State motor vehicle driver’s license shall not be con-  
 13      sidered to be completed unless the applicant provides to  
 14      the appropriate State motor vehicle authority proof that  
 15      the applicant is a citizen of the United States.”.

16          (2) REGISTRATION WITH VOTER REGISTRATION  
 17      AGENCIES.—Section 7(a) of such Act (42 U.S.C.  
 18      1973gg–5(a)) is amended by adding at the end the  
 19      following:

20      “(8) A voter registration application received by a  
 21      voter registration agency shall not be considered to be  
 22      completed unless the applicant provides to the agency  
 23      proof that the applicant is a citizen of the United States.”.

24          (3) CONFORMING AMENDMENT.—Section  
 25      8(a)(5)(A) of such Act (42 U.S.C. 1973gg–

1       6(a)(5)(A)) is amended by striking the semicolon  
 2       and inserting the following: “, including the require-  
 3       ment that the applicant provide proof of citizen-  
 4       ship;”.

5       **SEC. 703. REMOVAL OF CERTAIN REGISTRANTS FROM OFFI-**  
 6                               **CIAL LIST OF ELIGIBLE VOTERS.**

7       (a) IN GENERAL.—Section 8(d) of the National Voter  
 8       Registration Act of 1993 (42 U.S.C. 1973gg–6(d)) is  
 9       amended—

10               (1) by redesignating paragraph (3) as para-  
 11               graph (4); and

12               (2) by inserting after paragraph (2) the follow-  
 13               ing new paragraph:

14               “(3)(A) At the option of the State, a State may re-  
 15       move the name of a registrant from the official list of eligi-  
 16       ble voters in elections for Federal office (and, if necessary,  
 17       correct the registrar’s record of the registrant’s address)  
 18       on the ground that the registrant has changed residence  
 19       if—

20               “(i) the registrant has not voted or appeared to  
 21       vote in an election during the period beginning on  
 22       the day after the date of the second previous general  
 23       election for Federal office held prior to the date the  
 24       confirmation notice described in subparagraph (B) is  
 25       sent and ending on the date of such notice;

1           “(ii) the registrant has not voted or appeared to  
2           vote in any of the first two general elections for Fed-  
3           eral office held after the confirmation notice de-  
4           scribed in subparagraph (B) is sent; and

5           “(iii) during the period beginning on the date  
6           the confirmation notice described in subparagraph  
7           (B) is sent and ending on the date of the second  
8           general election for Federal office held after the date  
9           such notice is sent, the registrant has failed to notify  
10          the State in response to the notice that the reg-  
11          istrant did not change his or her residence, or  
12          changed residence but remained in the registrar’s ju-  
13          risdiction.

14          “(B) A confirmation notice described in this subpara-  
15          graph is a postage prepaid and pre-addressed return card,  
16          sent by forwardable mail, on which a registrant may state  
17          his or her current address, together with information con-  
18          cerning how the registrant can continue to be eligible to  
19          vote if the registrant has changed residence to a place out-  
20          side the registrar’s jurisdiction and a statement that the  
21          registrant may be removed from the official list of eligible  
22          voters if the registrant does not respond to the notice (dur-  
23          ing the period described in subparagraph (A)(iii)) by stat-  
24          ing that the registrant did not change his or her residence,

1 or changed residence but remained in the registrar’s juris-  
 2 diction.”.

3 (b) CONFORMING AMENDMENT.—Section 8(i)(2) of  
 4 such Act (42 U.S.C. 1973gg–6(d)) is amended by insert-  
 5 ing “or subsection (d)(3)” after “subsection (d)(2)”.

6 **SEC. 704. PERMITTING STATE TO REQUIRE VOTERS TO**  
 7 **PRODUCE ADDITIONAL INFORMATION PRIOR**  
 8 **TO VOTING.**

9 (a) PHOTOGRAPHIC IDENTIFICATION.—Section 8 of  
 10 the National Voter Registration Act of 1993 (42 U.S.C.  
 11 1973gg–6) is amended—

12 (1) by redesignating subsection (j) as sub-  
 13 section (k); and

14 (2) by inserting after subsection (i) the follow-  
 15 ing new subsection:

16 “(j) PERMITTING STATES TO REQUIRE VOTERS TO  
 17 PRODUCE PHOTO IDENTIFICATION.—A State may require  
 18 an individual to produce a valid photographic identifica-  
 19 tion before receiving a ballot for voting in an election for  
 20 Federal office.”.

21 (b) SIGNATURE.—Section 8 of such Act (42 U.S.C.  
 22 1973gg–6), as amended by subsection (a), is further  
 23 amended—

24 (1) by redesignating subsection (k) as sub-  
 25 section (l); and

1           (2) by inserting after subsection (j) the follow-  
 2           ing new subsection:

3           “(k) PERMITTING STATES TO REQUIRE VOTERS TO  
 4 PROVIDE SIGNATURE.—A State may require an individual  
 5 to provide the individual’s signature (in the presence of  
 6 an election official at the polling place) before receiving  
 7 a ballot for voting in an election for Federal office, other  
 8 than an individual who is unable to provide a signature  
 9 because of illiteracy or disability.”.

10 **SEC. 705. REPEAL OF REQUIREMENT THAT STATES PERMIT**  
 11 **REGISTRANTS CHANGING RESIDENCE TO**  
 12 **VOTE AT POLLING PLACE FOR FORMER AD-**  
 13 **DRESS.**

14           Section 8(e)(2) of the National Voter Registration  
 15 Act of 1993 (42 U.S.C. 1973gg-6(e)(2)) is amended—

16           (1) by striking “(2)(A)” and inserting “(2)”;  
 17           and

18           (2) by striking “election, at the option of the  
 19 registrant—” and all that follows and inserting the  
 20 following: “election shall be permitted to correct the  
 21 voting records for purposes of voting in future elec-  
 22 tions at the appropriate polling place for the current  
 23 address and, if permitted by State law, shall be per-  
 24 mitted to vote in the present election, upon con-



- 1       firmation by the registrant of the new address by
- 2       such means as are required by law.”.

○